



# Instructions for 2016 Form 1

## Annual Report and Personal Property Return

### General information and Requirements

# 2016

State of Maryland · Department of Assessments and Taxation · Personal Property Division · 301 West Preston Street, Room 801 · Baltimore, Maryland 21201-2395

### 1) WHO MUST FILE A RETURN

A Maryland personal property return (Form 1) must be filed by businesses that are incorporated, qualified or registered to do business in the State of Maryland as of January 1, 2016. This includes:

- corporations, organized and existing under the laws of the State of Maryland (domestic) as well as those incorporated outside the State and qualified or registered to do business in the State (foreign);
- limited liability partnerships (LLP) with a certificate filed with the State;
- limited liability companies (LLC) with an Articles of Organization filed with the State;
- limited partnerships (LP) with a certificate filed with the State
- statutory trusts (formerly business trusts) with a declaration of trust filed with the State; and
- real estate investment trusts (REIT) with a certificate filed with the State .

This return is required even if the business owns no property in the State or has not conducted any business activity during the year. A business which fails to file this return will receive an estimated assessment which will be twice the estimated value of the personal property owned. In addition, failure to file will result in forfeiture of the charter of a domestic corporation or forfeiture of the right to do business in the State of a foreign corporation, LLC, LLP, LP, business trust, or REIT.

Churches that are incorporated need only complete page 1 and the signature section on page 3.

### 2) WHEN AND WHERE TO FILE

At the beginning of each year, the Department will provide a reminder to all active businesses on record. The business is responsible for obtaining and filing a return on time. The due date for filing is April 15<sup>th</sup>. Originally filed returns are to be sent to the:

**State of Maryland**  
**Department of Assessments and Taxation**  
**Personal Property Division**  
**PO Box 17052**  
**Baltimore, MD 21297-1052**

For all other mail, including Certified Mail, see mailing instructions on page 4 of Form 1.

### 3) EXTENSION OF TIME TO FILE

The Department may grant a 2 month extension to file the return. To request an internet extension go to: [www.dat.maryland.gov](http://www.dat.maryland.gov) and click on: 1) Businesses, 2) Personal Property Information and Forms, and 3) Filing Extension. This option is free of charge and offers Department ID look-up, extension verification, confirmation numbers and recall lists by last year's confirmation number. Always print and keep a copy of the confirmation number. The Department will automatically accept it as evidence of a valid approved extension in case there is ever a problem. When you file for an extension via our website, do **NOT** also submit a paper extension request. This system is available 24 hours a day, 7 days a week beginning February 1, through April 15. Please file early to avoid possible delays due to the heavy usage of this system which occurs in the last week prior to April 15th.

Extension requests submitted via paper documents must be post-marked or received by SDAT on or before March 16 and require a \$20 non-refundable processing fee for each entity. If using this method, businesses should use the Department's extension request Form AT3-71 to help ensure that complete and accurate information is submitted. Approved extensions will be recorded by the Department but will not be returned. Retain a copy of the extension request for your records. The Department ID Number must be provided to ensure proper recording of any extension request. Requests with incomplete or missing Department ID numbers will not be recorded. Do not list the business' Federal Employer Identification Number (EIN) on this form. No additional extension to file will be allowed. Extensions approved by the Internal Revenue Service or Maryland Comptroller of the Treasury for income tax returns will not be accepted.

### 4) NAME CHANGES

Name changes must be made by amending the business' organizing document with the Department's Charter Division.

### 5) MAILING ADDRESS CHANGES

Make necessary address corrections in the address area and check the address correction box on page 1 of the return.

### 6) FORMS

To ensure proper posting to your account, please include your Department ID number on your return and in all communications with the Department. This number should also appear on all checks accompanying the return.

### 7) ANNUAL REPORT FILING FEES

The filing fee for the privilege of maintaining a legal entity's existence in Maryland is \$300 for most legal entities. This fee is due even if the entity does not own property in the State or did not conduct any business during the prior year. Checks should be made payable to the *Department of Assessments and Taxation*. Corporations not authorized to issue stock, churches and foreign interstate corporations are not required to pay a filing fee. Refer to the chart below for the proper filing fee:

Type of Business	ID # Prefix	Filing Fee
Domestic Stock Corporation	(D)	\$ 300
Foreign Stock Corporation	(F)	\$ 300
Domestic Non-Stock Corporation	(D)	\$ 0
Foreign Non-Stock Corporation	(F)	\$ 0
Foreign Insurance Corporation	(F)	\$ 300
Foreign Interstate Corporation	(F)	\$ 0
Domestic Limited Liability Company	(W)	\$ 300
Foreign Limited Liability Company	(Z)	\$ 300
Domestic Limited Partnership	(M)	\$ 300
Foreign Limited Partnership	(P)	\$ 300
Domestic Limited Liability Partnership	(A)	\$ 300
Foreign Limited Liability Partnership	(E)	\$ 300
Domestic Statutory Trust	(B)	\$ 300
Foreign Statutory Trust	(S)	\$ 300
Real Estate Investment Trust	(D)	\$ 300
SDAT Certified Family Farm	(A,D,M,W)	\$ 100
Amended Returns for any of the above)		\$ 0

The 2006 General Assembly passed legislation reducing the filing fee to \$100 for entities that qualify as a "Family Farm". In order for an entity to qualify as an SDAT Certified "Family Farm", it must be a domestic entity, declare in a charter provision to be a "Family Farm" and meet certain specific requirements found in §1-209 of the Corporations and Associations Article. Entities can qualify at the time of formation or via a charter amendment for an existing domestic entity. Please refer to the Businesses section of the Department's website for more specific information ([www.dat.maryland.gov](http://www.dat.maryland.gov)).

## 8) LATE FILING PENALTIES

A business which files an annual return postmarked after the due date of April 15<sup>th</sup> will receive an initial penalty of 1/10 of one percent (0.1%) of the county assessment, plus interest at the rate of two percent (2%) of the initial penalty amount for each thirty (30) days or part thereof that the return is late. If returns are filed late, do not prepay penalties. They will be assessed at a later date.

## 9) PERIOD COVERED

All returns shall cover the calendar year regardless of any fiscal year. All information required in this return shall be given as of January 1, except line items ② and ④ which refer to the twelve calendar months of prior year. This return must be accompanied by Form 4A and 4B (Balance Sheet and Depreciation Schedule) unless the business does not own any personal property in Maryland. A substitute Balance Sheet, including Schedule L from IRS Form 1120, may be used, however Form 4B (Depreciation Schedule) must be completed. Information supplied on the second, third and fourth pages and enclosures are not open to public inspection. If the Balance Sheet reflects property outside the State of Maryland, please reconcile with the property reported on the return.

## 10) WHAT MUST BE REPORTED

Generally all tangible personal property owned, leased, consigned or used by the business and located within the State of Maryland on January 1, must be reported. Property not in use must still be reported. All fully depreciated and expensed personal property must also be reported. Personal property includes but is not limited to office and plant furniture, machinery, equipment, tools, furnishings, trade fixtures, inventory, and all other property not considered part of the real estate.

Personal property in this State (other than operating property of railroads and public utilities) falls into two subclasses:

**Stock in business** or inventory is goods held by a taxpayer for sale and goods placed on consignment to another for sale in the expectation of a quick turnover. Stock in business does not include goods manufactured by the taxpayer but held by the taxpayer for purposes other than sale or goods manufactured by the taxpayer but placed in possession and control of another as in the case of leased property. Stock in business is assessed at cost or market value whichever is lower. **LIFO** method of valuation is prohibited.

**All other personal property** includes all personal property other than inventory and is assessed at full cash value. Taxpayers shall report such property which has been acquired by purchase at cost in the year of acquisition. Taxpayers shall report such property which has been acquired other than by purchase (including property manufactured by the taxpayer) at what the property would have sold for in the year of acquisition. To assess "all other personal property" the Department generally applies a 10% rate of depreciation per annum to the reported property. Exceptions to the 10% rate can be found on the Depreciation Rate Chart on page four (4). Normally, property will not be depreciated below 25% of the original cost.

All questions must be answered in full unless the business does not own, lease, or use personal property and answers Section I question C no. If the reporting taxpayer does not own the class of

property covered by any question, the word "**none**" or the figure "**0**" should be written in the appropriate blank space. Estimated assessments may be issued when questions remain unanswered or the answers are incomplete or evasive. Real property is not to be reported on the return.

## 11) EXEMPTIONS

Property tax exemptions provided by statute shall be strictly construed. Before an exemption can be obtained the taxpayer must show affirmatively that the exemption is clearly allowed.

Businesses may file amended returns to correct reporting errors or claim missed exemptions (except for missed manufacturing exemptions) within three years of the April 15<sup>th</sup> date that the return was originally due.

For manufacturing exemption requests, an application must be submitted on or before September 1, or within 6 months after the date of the first assessment notice for the taxable year that includes the manufacturing personal property in order to qualify for the current tax year. Section 7-104 of the Tax-Property Article of the Annotated Code of Maryland has been revised to include subsection (d) that allows the owner of manufacturing personal property to file an application within 6 months after the date of the first assessment notice for a taxable year that includes the manufacturing personal property. If the application is approved, the exemption shall be granted for the taxable year. The exception to the September 1 deadline is applicable to taxable years beginning after June 30, 2009. No manufacturing exemption can be granted unless a timely application is filed. Once filed, no additional manufacturing applications are required in subsequent years.

All personal property owned by certain organizations, including religious groups, government, non-profit educational institutions, non-profit charitable organizations, non-profit hospitals, cemetery and mausoleum companies, and certain other organizations or groups which meet certain "strict use" criteria is exempt. These are referred to as exempt organizations and are fully exempt throughout Maryland from any assessment and taxation. To obtain this type of exemption, an organization must submit written information detailing its operation. If the organization is required to file an IRS Form 990 it should be included with the written information. It should be noted that because the laws differ, organizations granted exempt status by the Internal Revenue Service are not necessarily exempt from personal property taxation in Maryland.

In addition, State law requires that certain types of personal property be fully exempt throughout Maryland from any assessment and taxation. These include aircraft, farming implements, residential (non-business) property, most registered vehicles, boats not more than 100 feet in length, customized computer software, intangible personal property (e.g., stocks, bonds, patents, goodwill, trademarks, etc.).

Beginning July 1, 2011 a 2% gross receipts tax on short-term lease or rental of heavy equipment property by rental businesses must be paid directly to local government, and at the same time exempts that property from the personal property assessment effective July 1, 2011. Rental businesses must determine whether they are required to pay the gross receipts tax and are qualified to receive this exemption. The legislation requires an entity to meet all of the following provisions: 1) it must receive the largest segment of its total receipts from the short-term leases or rental of heavy equipment at retail without operators; 2) it must be defined under Code 532412 of the North American Industry Classification System as published by the U.S. Census Bureau; 3) the property exempted must meet the definition of heavy equipment property as defined in § 9-609(D)(5) of the Political Subdivisions Article and 4) the lease or rental of the heavy equipment property is for a period of 365 days or less.



Businesses owning exempt personal property described in the paragraph above should report the total cost of that property on form 4B (Depreciation Schedule), line 11. Do not report this type of property on the Form 1.

Full or partial exemptions may apply depending on the location of the property for: manufacturing/R&D machinery and equipment, manufacturing / R&D inventory and commercial inventory. Visit the Department's website for a complete listing of these exemptions.

The law specifically includes the following activities as part of the manufacturing process: (1) the identification, design or genetic engineering of biological materials for research or manufacture; and (2) the design, development or creation of computer software for sale, lease or license.

12) ROUNDING

Round cents to the nearest whole dollar. Fifty cents and above should be rounded to the next highest dollar.

13) AUDIT OF RETURN

All personal property assessments, and any information, and figures reported on the personal property return, accompanying schedules and related documents are subject to audit. As a result of such audits, the Department may issue corrected assessments.

14) TRANSFER OF PROPERTY

If a business transfers, sells, or disposes of all personal property on or after January 1 and before July 1, it must notify the Department in writing on or before October 1. The notification must contain an itemized description of the property involved, the date and manner of transfer and name(s) and address of the new

owner(s) of the property, the consideration received, and a copy of the sales agreement (if available). Upon proper notification and compliance with Section 10-402 of the Tax Property Article, the assessment shall be transferred to the new owner(s).

15) OUT OF BUSINESS

If a business discontinues operations or goes "out of business" prior to January 1, 2016 and has not filed Articles of Dissolution (Domestic Corporations), an Application for Termination (Foreign Corporations), a Certificate of Cancellation (LLC) or a Withdrawal Notice (LLP, LP) with the Department's Charter Division, a return or letter of explanation detailing the date the business ceased operations and what happened to the property must be filed. Failure to provide this information will result in an estimated assessment being made against the business. Businesses that have not filed Articles of Dissolution, an Application for Termination, a Certificate of Cancellation or a Withdrawal Notice are legally active until they do so or until their charters are forfeited (Domestic Corporations) or their authority to do business is forfeited (Foreign Corporations, LLCs, LLPs, LPs, statutory trusts (formerly business trusts), and REITs).

16) AMENDED RETURNS

Amended returns can be filed to correct reporting errors or claim a missed exemption (except for missed manufacturing exemptions) within three years of the April 15<sup>th</sup> date that the return was originally due. Amended returns must be accompanied by information explaining why the amended return is being filed and reconciling the differences with the original return.

Write the word "AMENDED" across the top of page 1 of the return. Do not send another \$300 filing fee with an amended return.

INFORMATION AND ASSISTANCE

PERSONAL PROPERTY DIVISION

- Internet Site ..... [www.dat.maryland.gov](http://www.dat.maryland.gov)
- Form preparation and assessment procedures ..... (410) 767-1170
- Extensions by Internet ..... [www.dat.maryland.gov](http://www.dat.maryland.gov)
- E-mail Address ..... [sdatt.persprop@maryland.gov](mailto:sdatt.persprop@maryland.gov)
- Toll Free within Maryland ..... (888) 246-5941
- MRS (Maryland Relay Service for speech and hearing impaired) ..1-800-735-2258 TT/VOICE

CHARTER DIVISION

- Internet Site ..... [www.dat.maryland.gov](http://www.dat.maryland.gov)
- E-mail Address ..... [sdatt.charterhelp@maryland.gov](mailto:sdatt.charterhelp@maryland.gov)
- Toll Free within Maryland ..... (888) 246-5941
- MRS (Maryland Relay Service for speech and hearing impaired) ..... 1-800-735-2258 TT/VOICE

Specific Instructions - 2016 Form 1

Check the type of business entity and include the required filing fee. Complete the legal name of the business entity, mailing address, Department ID#, federal employer ID#, date and state of incorporation/formation, federal principal business code, and trading as name (if different than legal name of business).

SECTION I

- A. Answer yes if the business operates in Maryland. Provide the date business activity began.
- B. Provide a brief explanation of business activity in Maryland (e.g. restaurant, legal service, construction, etc.).
- C. Answer yes if the business owns, leases, or uses personal property relating to any business activity (including non-profit operations). Answer no if the business does not own, lease or use personal property in the state and skip Section II.
- Question D refers to corporations only.
- D. List the names and addresses of the current officers and the names of the current directors.

SECTION II

- A. **Exact Location.** Since local tax rates and exemptions differ in each county and in each incorporated town, the location of

tangible personal property, including the street address, must be clearly indicated. Post Office Box numbers are not acceptable. If property is located in an incorporated town, supply the name of the town. An incorporated town has its own government and defined municipal boundaries. Inventory is deemed permanently located where the business is conducted. If property is located in two or more jurisdictions supply a breakdown by locations by completing additional copies of Section II for each location.

Businesses not needing a trader's license and located entirely in the exempt jurisdictions listed below may skip Section II, line items ① through ⑩ and Forms 4A, 4B, and 4C.

Frederick and Garrett Counties	Kent County	Queen Anne's County	Talbot County
The business must not be located within any town.	The business must not be located within a town except the exempt towns of Chestertown, Galena or Millington.	The business must not be located within a town except the exempt towns of Centreville or Millington.	The business must not be located within a town except the exempt town of Oxford.

EXEMPT COUNTIES AND INCORPORATED TOWNS

If you meet the above location requirements, but need a trader's license, you should complete Section II, Part A and line item ② Commercial Inventory only, and then skip to Section III.

LINE ITEM ①

Furniture, fixtures, tools, machinery and equipment not used for manufacturing or research and development. Includes but is not limited to office furniture, fixtures and equipment, factory equipment and machinery, shelves, signs, counters, etc. (Report non-exempt vehicles on Line Item ⑥).

This form allows detailed reporting of property which falls under the different rates of depreciation. All property is to be reported under Category A unless specifically listed in another category.

Refer to the Depreciation Rate Chart on page 5 to determine where property owned by the business should be reported (see sample below). Property reported in columns B through G requires a detailed description (e.g., Column C - Vending Machines, Copiers, etc.). Failure to provide the required detail will result in the reported property being assessed at 10% rate of depreciation.

This property shall be reported at original cost in the year of acquisition without deduction of depreciation, investment credit or trade-in of previously owned property. Include all fully depreciated personal property and property expensed under IRS rules.

EXAMPLE

Property reported on this line item should be placed under the proper depreciation rate column by the year of acquisition. An example of the correct method of filling out this section is provided for reference. Property reported in categories B through G require an explanation on the lines provided below the box. If additional space is needed to show the necessary detail, attach a supplemental schedule.

ORIGINAL COST BY YEAR OF ACQUISITION								
	A	SPECIAL DEPRECIATION RATES (SEE PAGE 4)						TOTAL COST
		B	C	D	E	F	G	
2015								
2014	1,150				12,600			13,750
2013	3,104				8,400			11,504
2012	1,500			5,261				6,761
2011								
2010			2,500					2,500
2009	9,127		500					9,627
2008 and prior								

DESCRIBE B THROUGH G PROPERTY HERE: Category C - 2009 Vending Machine; Category C - 2010 Copier \$2,000, Fax \$500; Category D - 2012 Personal Computer; Category E - 2013, 2014 Rental DVDs and Video Tapes

LINE ITEM ②

Commercial Inventory is merchandise and stock in trade available for sale. This includes manufactured products sold at retail by the manufacturer. An average of twelve (12) monthly inventories should be reported including two (2) physical inventories. Book inventories may be used for months when physical inventories were not taken. Values are to be reported at cost or market value. The LIFO method is prohibited in computing values. If there are multiple locations of inventory in Maryland they must be reported by each location. **Business entities that need a Trader's License must report commercial inventory.**

Rental equipment including but not limited to video tapes, stereos, televisions, tools, appliances and furniture is not considered commercial inventory. These assets must be reported in Section II line item ①.

Leased property and off rent equipment are not considered commercial inventory and should be reported under Section II line item ⑩ and ⑧ respectively.

LINE ITEM ③

Supplies. Supplies are consumable items not held for sale (e.g., contractor's supplies, office supplies, etc.). Report the average cost.

LINE ITEM ④

Manufacturing/R&D Inventory is raw materials, supplies, goods in process and finished products used in and resulting from manufacturing/R&D by the business. Include manufactured products sold at retail by the manufacturer under line item , commercial inventory. An average of twelve (12) monthly inventories should be reported including two (2) physical inventories. Book inventories may be used for months when physical inventories were not taken. Values are to be reported at cost or market value. The LIFO method is prohibited in computing values. If there are multiple locations of inventory in Maryland they must be reported by each location.

LINE ITEM ⑤

Tools, machinery and equipment used for manufacturing or research and development. Answer this question in detail even though such property may by law or resolution be exempt. Reporting property on this line item is not a substitute for a manufacturing application. If exemption is claimed for the first time, a manufacturing/research & development exemption application must be submitted on or before September 1 or within 6 months after the date of the first assessment notice for the taxable year that includes the manufacturing personal property before the exemption can be granted. Contact the Department or visit our web site at [www.dat.maryland.gov](http://www.dat.maryland.gov) to obtain an application. This property shall be reported at original cost in the year of acquisition without deduction of depreciation, investment credit or trade-in of previously owned property. Include all fully depreciated personal property and property expensed under IRS rules.

For manufacturing the primary test for exemption requires substantially transforming, or a substantial step in the process of substantially transforming tangible personal property into a new and different article by use of labor or machinery. The term manufacturing does not include products mainly intellectual, artistic or clerical in nature, services, public utility services, or property used primarily in administration, management, sales, storage, shipping, receiving or any other non-manufacturing activity.

Research and development means basic and applied research in the sciences and engineering, and the design, development and governmentally required pre-market testing of prototypes, products, and processes. Research and development activities are exempt whether or not the company has a product for sale.

The following activities do not constitute research and development: market research; research in social sciences, psychology, or other nontechnical activities; routine product testing; service activities; sales; or research and development of a public utility.

LINE ITEM ⑥

Vehicles. Itemize motor vehicles with Interchangeable Registrations and vehicles that are unregistered. Interchangeable Registrations include: dealer plates (Class 1A, 1B, 1C); recycler plates (Class 2); finance company plates (Class 3); special mobile

equipment plates (Class 4); and transporter plates (Class 5). This property shall be reported at original cost in the year of acquisition without deduction of depreciation, investment credit or trade-in of previously owned property. Include all fully depreciated personal property and property expensed under IRS rules.

Vehicles registered in Maryland and classified in one of the following are exempt: Passenger cars (Class A); For hire vehicles (Class B); Funeral or ambulance vehicles (Class C); Motorcycles (Class D); Single unit, Dump, Tow, and Farm Trucks (Class E); Truck tractors (Class F); Trailers and Semi-trailers (Class G); School vehicles (Class H); Passenger buses (Class I and P); Vanpool (Class J); Farm vehicles (Class K); Historic vehicles (Class L); Multipurpose vehicles (Class M); Street rods (Class N); Limousine vehicles (Class Q); Low speed vehicles (Class R). Vehicles registered outside Maryland may be exempt. Exempt vehicles include those registered in another taxing jurisdiction and of a classification described in Title 13, Subtitle 9, Part II of the Maryland Transportation Article (Class A-R listed above). Exempt vehicles should be included on form 4B, line 11.

#### **LINE ITEM ⑦**

**Non-farming livestock.** Report book value and market value.

#### **LINE ITEM ⑧**

**Other tangible personal property.** Include other tangible personal property not reported elsewhere on this return. Report total cost on the return and supply a separate schedule giving a description, the cost and the date of acquisition of the property (e.g. artwork, antiques, linen, china, silverware, etc.).

#### **LINE ITEM ⑨**

**Property owned by others and used or held by the business.** All property that is not owned by the business but is held by the business as lessee, on consignment, or otherwise must be reported. A separate schedule showing the names and addresses of the owners, lease numbers, description of property, location of property, installation date and separate cost of assets must be supplied. If costs are not known, supply the terms of the lease including lease payment and number of months.

#### **LINE ITEM ⑩**

**Property owned by business and used or held by others.** All property that is owned by the business but is held by others as consignee, lessee or otherwise must be reported. A separate schedule showing the names and addresses of lessees, lease numbers, description of property, installation date and original cost by year of acquisition for each location must be supplied. Schedule should group leases by county where the property is located. Manufacturer lessors shall report property which has been acquired other than by purchase at the retail selling price in the year the property was manufactured (including property manufactured by a business for its own use) not at the cost of manufacture. All leased property must be reported, including manufacturing equipment, and property leased to tax exempt organizations. Property in this category should be reported on Line Item ⑩ not on Line Item ①.

### **SECTION III**

A. Total gross sales must include sales in Maryland and sales by the Maryland location to out of state purchasers as well as transfers from the Maryland location of the reporting business to out of state locations. If the business has sales in Maryland and does not report any personal property, explain how the business is conducted without personal property. If a business shares the property of another business that reports the personal property,

supply the name and address of that business.

B. List the beginning and ending fiscal year periods.

C. If the business had an interest in the established business, (e.g., a sole proprietor that chooses to incorporate), the property must be reported at the original cost and original date of acquisition including all fully depreciated and expensed personal property. Provide the name of the business.

D. All fully depreciated and expensed personal property must be reported on this return.

E. If the submitted Balance Sheet or Depreciation Schedule contains property outside the State of Maryland, reconcile it with this return.

F. If the business has disposed of assets or transferred assets in or out of the State during the prior year, complete Form 4C (Disposal and Transfer Reconciliation).

### **SIGNATURE AND DATE**

The return must be signed by an officer of the corporation or principal of other entity. This signature must be an original not a copy. The date should reflect the date the return was signed by the officer or principal and sent to the Department. Please include requested phone number and e-mail address to assist us in resolving potential discrepancies.

### **DEPRECIATION RATE CHART FOR 2016 RETURNS**

#### **STANDARD DEPRECIATION RATE**

Category A: 10% per annum\*

All property not specifically listed below.

**SPECIAL DEPRECIATION RATES** (The rates below apply only to the items specifically listed. Use Category A for other assets.)

Category B: 20% per annum\*

Mainframe computers originally costing \$500,000 or more.

Category C: 20% per annum\*

Autos (unlicensed), bowling alley equipment, brain scanners, carwash equipment, contractor's heavy equipment (tractors, bulldozers), fax machines, hotel, motel, hospital and nursing home furniture and fixtures (room and lobby), MRI equipment, mobile telephones, model home furnishings, music boxes, outdoor Christmas decorations, outdoor theatre equipment, photocopy equipment, radio and T.V. transmitting equipment, rental pagers, rental soda fountain equipment, self-service laundry equipment, stevedore equipment, theatre seats, trucks (unlicensed), vending machines, x-ray equipment.

Category D: 30% per annum\*\*

Data processing equipment, canned software.

Category E: 33 1/3% per annum\*

Blinds, carpets, drapes, shades. The following applies to equipment rental companies only: rental stereo and radio equipment, rental televisions, rental video cassette recorders and rental DVDs and videotapes.

Category F: 50% per annum\*

Pinball machines, rental tuxedos, rental uniforms, video games.

Category G: 5% per annum\*

Boats, ships, vessels, (over 100 feet).

Long-lived assets

Property determined by the Department to have an expected life in excess of 10 years at the time of acquisition shall be depreciated at an annual rate as determined by the Department.

\* Subject to a minimum assessment of 25% of the original cost.

\*\* Subject to a minimum assessment of 10% of the original cost.



**THE FOLLOWING IS A LIST OF COUNTIES AND INCORPORATED TOWNS IN MARYLAND. IF A BUSINESS OWNS PERSONAL PROPERTY IN ANY OF THESE LOCATIONS, THE LOCATIONS SHOULD BE LISTED IN SECTION II A OF FORM 1.**

<b>ALLEGANY</b> Barton Cumberland Frostburg Lonaconing Luke Midland Westernport  <b>ANNE ARUNDEL</b> Annapolis Highland Beach  <b>BALTIMORE CITY</b>  <b>BALTIMORE</b> No incorporated cities or towns  <b>CALVERT</b> Chesapeake Beach North Beach  <b>CAROLINE</b> Denton Federalsburg Goldsboro Greensboro Henderson Hillsboro Marydel Preston Ridgely Templeville  <b>CARROLL</b> Hampstead Manchester Mount Airy New Windsor Sykesville Taneytown Union Bridge Westminster	<b>CECIL</b> Cecilton Charlestown Chesapeake City Elkton North East Perryville Port Deposit Rising Sun  <b>CHARLES</b> Indian Head La Plata Port Tobacco  <b>DORCHESTER</b> Brookview Cambridge Church Creek East New Market Eldorado Galestown Hurlock Secretary Vienna  <b>FREDERICK</b> Brunswick Burkittsville Emmitsburg Frederick Middletown Mount Airy Myersville New Market Rosemont Thurmont Walkersville Woodsboro  <b>GARRETT</b> Accident Deer Park Friendsville Grantsville Kitzmillier Loch Lynn Heights Mountain Lake Park Oakland	<b>HARFORD</b> Aberdeen Bel Air Havre de Grace  <b>HOWARD</b> No incorporated cities or towns  <b>KENT</b> Betterson Chestertown Galena Millington Rock Hall  <b>MONTGOMERY</b> Barnesville Brookeville Chevy Chase Sec. 3 Chevy Chase Sec. 5 Chevy Chase View Chevy Chase Village Gaithersburg Garrett Park Glen Echo Kensington Laytonsville Martin's Additions North Chevy Chase Poolesville Rockville Somerset Takoma Park Town of Chevy Chase Washington Grove	<b>PRINCE GEORGE'S</b> Berwyn Heights Bladensburg Bowie Brentwood Capitol Heights Cheverly College Park Colmar Manor Cottage City District Heights Eagle Harbor Edmonston Fairmount Heights Forest Heights Glenarden Greenbelt Hyattsville Landover Hills Laurel Morningside Mount Rainier New Carrollton North Brentwood Riverdale Park Seat Pleasant University Park Upper Marlboro  <b>QUEEN ANNE'S</b> Barclay Centreville Church Hill Millington Queen Anne Queenstown Sudlersville Templeville  <b>ST. MARY'S</b> Leonardtown  <b>SOMERSET</b> Crisield Princess Anne	<b>TALBOT</b> Easton Oxford Queen Anne St. Michaels Trappe  <b>WASHINGTON</b> Boonsboro Clear Spring Funkstown Hagerstown Hancock Keedysville Sharpsburg Smithsburg Williamsport  <b>WICOMICO</b> Delmar Fruitland Hebron Mardela Springs Pittsville Salisbury Sharptown Willards  <b>WORCESTER</b> Berlin Ocean City Pocomoke City Snow Hill
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